

**IN THE INCOME TAX APPELLATE TRIBUNAL
AMRITSAR BENCH: AMRITSAR.
(HYBRID HEARING)**

**BEFORE MANOJ KUMAR AGGARWAL, ACCOUNTANT
MEMBER AND SH. UDAYAN DAS GUPTA, JUDICIAL MEMBER**

**I.T.A. No.307/Asr/2024
Assessment Year.: 2020-21**

Amarjit Singh (HUF), Atul Vijn & Co. 1 st Floor Bank of India Building, Hind Samachar [PAN: AANHA8157M] (Appellant)	Vs.	ITO, Ward-1, Moga, Punjab. (Respondent)
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Appellant by	Sh. Abhinav Vijn, CA.
Respondent by	Sh. Manpreet Singh Duggal, Sr. DR

Date of Hearing	25.03.2025
Date of Pronouncement	21.04.2025

ORDER

Per: Udayan Das Gupta, J.M.:

This appeal is filed by the assessee against the order of Id. CIT(A), NFAC, Delhi, passed u/s 250 of the Income Tax Act 1961 which has emanated from the order of the NFAC, AO, dated 19.09.2022 passed u/s 143(3) r.w.s 144B of the Income Tax Act 61.

2. The Grounds of appeal preferred by the assessee in form 36 are as follows:

“1. That on the facts and circumstances of the case and in law, the assessment order dated 19.09.2022 passed by National Faceless Assessment Centre (“NFAC or AO”) is perverse and erroneous order, passed in violation of principles of natural justice hence, liable to be quashed.

2. That on the facts and circumstances of the case the assessment order is illegal and bad in law as the same has been passed without issuing a valid show cause notice or a draft order as mandated under section 144B of the Act.

3. That the CIT(A)/National Faceless Appeal Centre has erred in upholding the addition made by AO amounting to Rs. 15,00,000/- treating the agricultural income as income from other sources.

4. That on the facts and circumstances of the case the CIT(A) NFAC, has erred in confirming the addition, as there is no other source other than the agricultural income.

5. Without prejudice to above the additions made are unjust and highly excessive.

6. Without prejudice to above the AO has erred in initiating penalty u/s 270A of the Act.

7. The Appellant craves leave to add, to alter to amend the above Ground of Appeal at the time of hearing.”

3. The brief facts emerging from records are that the assessee is engaged in the business of dairy farming has also claimed to be an agriculturist being owner of agricultural lands and carries out agricultural activities on ancestral land holdings measuring approximately 55 (fifty-five) acres, belonging to his entire family, (who are all settled abroad).

4. During the year under appeal total income returned at Rs. 2,60,000/-, (claiming exempted agricultural income at Rs.15,00,000/- (Rs Fifteen Lakhs), has been assessed at Rs. 17,60,000/-, u/s 143(3) / 144B, of the Act 61, in absence of any supporting details and documentary evidences to prove and substantiate the earning of agricultural income so claimed.

5. The matter was carried before the first appellate authority and after considering submissions filed in course of appeal proceedings and after granting opportunity of *video hearing*, the Ld. CIT (A) NFAC, sustained the additions , in absence of documentary evidences relating to expenditure incurred for conducting agricultural activities and in absence of any agreement in between the assessee and the actual owners of agricultural lands and also in absence of evidence regarding sales of agricultural crops and corresponding J Forms .

6. Before the tribunal the Ld. AR of the assessee filed fresh documentary evidences along with an application under Rule – 27 of ITAT Rules 63, consisting of purchase invoices of one *Jindal Trading Company* along with copies of ledger A/c of the assessee in its books of accounts, and evidence from another *Gholia Traders*, as evidence to whom agricultural produce has been sold by the assessee and other documents relating to expenditure incurred in carrying out of agricultural activities.

7. The Ld. AR submitted that the e proceeding portal was closed on 30/03/2022, which was never enabled thereafter, even though the assessment order was finally passed on 19th September, 2022, (*nearly six months thereafter*) without allowing any further opportunity to the assessee for uploading the documentary evidences. (*A screen shot of the portal is also enclosed as evidence*). He further prayed that since the assessee was prevented by technical glitches from uploading the evidences in support of his claim of agricultural income, the assessment order clearly suffers from violation of the principles of natural justice.

8. The Ld. DR has no objection if the fresh evidences are admitted but submits that the authenticity of the documents need verification.

9. We have considered the materials on record and looked into the enclosed *screen shot of the portal*, and we find there has indeed been violation of natural justice in as much the proceeding limitation date is stipulated on 30th September, 2022, assessment order is passed on 19th September, 2022 and e-submission closed on 30th March, 2022 (*with noting e submission closed by officer*), without any further opportunity of submission of documentary evidence or explanations, and a time gap of nearly six months remaining in between closing of submission and passing of assessment order, which is resultant to not granting of proper and adequate opportunity of filing submission (*uploading documentary evidences and submissions by the assessee*) which prevented the assessee from a fair opportunity of presenting his case “*audi alteram partem*”, which tantamount to violation of the principles of natural justice.

9.1 As such we set aside the matter back to the files of the jurisdictional assessing officer, for fresh assessment, after considering all documentary evidences (*including fresh evidences*) to establish the genuineness of the claim of agricultural income by the assessee and the assessee is also directed to file all supporting documents before the AO and to fully cooperate in fresh proceedings.

9.2 Needless to say the assessee shall be allowed reasonable opportunity of being heard.

10. In the result, the appeal of the assessee bearing **ITA Nos. 307/Asr/2024** is allowed for statistical purposes.

Order pronounced on 21.04.2025 at Amritsar, Punjab in accordance with Rule 34(4) of the Income tax (Appellate Tribunal) Rules, 1963.

Sd/-

(MANOJ KUMAR AGGARWAL)
Accountant Member

Sd/-

(UDAYAN DAS GUPTA)
Judicial Member

Copy of the order forwarded to:

- (1) The Appellant
- (2) The Respondent
- (3) The CIT
- (4) The DR, I.T.A.T.

True Copy
By Order